

AR08

1901st

ANNUAL REPORT

THE MONTREAL
**CITY AND DISTRICT
SAVINGS BANK**

Incorporated under federal charter • Member: Canada Deposit Insurance Corporation



Digitized by the Internet Archive
in 2023 with funding from
University of Alberta Library

https://archive.org/details/Mont0386_1967

121st ANNUAL REPORT

for the financial period ended October 31, 1967

Board of Directors	2
Executive Officers of the Bank	4
Highlights	5
121st Annual General Meeting	6
Report of the Board of Directors	7
Address of the President	10
Statement of Revenue, Expenses and Undivided Profits	14
Statement of Accumulated Appropriations for Losses	15
Statement of Assets and Liabilities	16
Remarks of the General Manager	18
New Branch	23
Other proceedings of the Meeting	24
New Branch	25
Departments and Branches	26

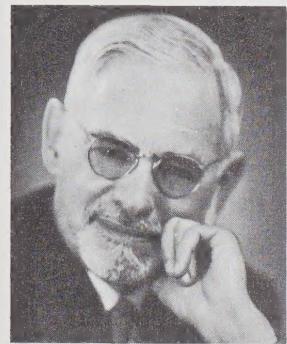
BOARD OF DIRECTORS



*GUY VANIER, Q.C.
Chairman of the Board



*E. DONALD GRAY-DONALD
President of the Bank
and Chairman of the
Executive Committee



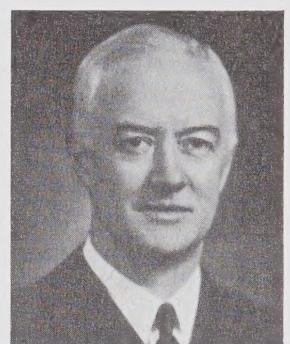
*HON. L.-M. GOUIN, Q.C.
Vice-President



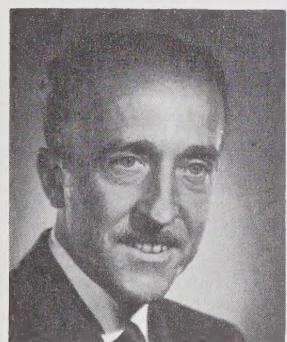
JEAN C. LALLEMAND



DESMOND A. CLARKE



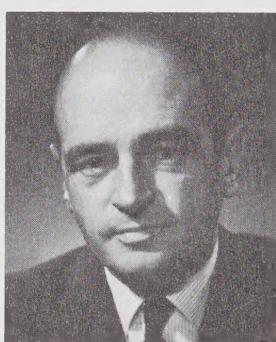
*MOSTYN LEWIS



*MARC JARRY



C. L. OGDEN GLASS



JOHN G. BOURNE



ROBERT R. McLERNON

EXECUTIVE OFFICERS OF THE BANK

E. DONALD GRAY-DONALD

President of the Bank and Chairman of the Executive Committee

FRANÇOIS-XAVIER GUÉRARD

General Manager

ADRIEN AUDET

Deputy General Manager

AUSTIN KENNEDY

Assistant General Manager and Secretary

ARTHUR LEBOEUF

Superintendent

CHARLES E. FORTIER

Comptroller

GILLES CHARPENTIER

Assistant Superintendent and Chief of Personnel

LIONEL COLLIN

Chief Accountant

ROLAND BRIEN

Chief Inspector

HIGHLIGHTS

Total Assets **\$436,146,451**

Savings Deposits **\$402,525,592**

Mortgage Loans **\$226,512,724**

Net Profits **\$ 1,896,015**

Dividends and Bonus **\$ 1,040,000**

Capital:

Authorized — 3,000,000 shares
of a par value of
\$1.00 each: \$3,000,000

Paid up — 2,000,000 shares
issued and fully paid **\$ 2,000,000**

Rest Account **\$ 15,500,000**

121st ANNUAL GENERAL MEETING

Minutes of the One Hundred and Twenty First Annual General Meeting of the Shareholders

The One Hundred and Twenty First Annual General Meeting of the Shareholders was held at the Head Office of the Bank on Monday, January 15, 1968, at noon.

Among those present were:

Mrs. Ruth Albert, Mr. Claude Allaire, Miss Louisette Arcand, Messrs. Adrien Audet, Hector Ballard, Miss Mireille Beullac, Messrs. Fernand Blais, John Bloom, Mrs. John Bloom, Messrs. James C. Bonar, Henri Bourgeault, Jacques Bourgeois, John G. Bourne, Miss Freida E. Briddon, Messrs. Roland Brien, Emile Brosseau, Gilles Brunel, Gilles Charpentier, Mrs. Alice Christin, Messrs. Marcel Clément, John N. Cole, Lionel Collin, George E. Damant, John J. Davis, Jean Guy Décarie, Jos. H. Delabarre, René Delisle, J. Noé Delorme, Jules Derome, Edouard Desjardins, M.D., Yves Desrochers, J. Gabriel Dion, Peter L. Dixon, Georges Dorion, Gaétan M. Doyon, Jacques Ethier, Léo Ethier, Vianney Favreau, Charles E. Fortier, Gaston Gagnier, Jules Gagnon, J. A. Fortunat Gaudreau, Rosario Genest, Q.C., Mrs. Noreen George, Mr. C. L. Ogden Glass, Hon. Léon-M. Gouin, Q.C.,

Messrs. E. Donald Gray-Donald, F. X. Guérard, John David Hackett, John M. Hayes, Réal Hétu, Mrs. François Hone, Messrs. Marcel Houliné, Marc Jarry, Pierre Jean, Jacques Julien, Maurice Julien, Austin Kennedy, Mrs. Gwendolen M. Kennedy, Messrs. Guy Labelle, Jean C. Lallemand, Roger Lamontagne, Gérard Lapierre, Jean Paul Larue, Roger Lavoie, J. Arthur Leboeuf, Hugues Ledoux, Mrs. Jean Elizabeth Lemieux, Messrs. Maurice Lemieux, J. Rodolphe Lemire, Mostyn Lewis, Omer Lupien, Bernard J. Maître, Jacques Martin, Léon Martin, Mrs. Ada Mason, Messrs. John A. McDonald, Guy Messier, Ennison Metcalfe, Roger Newman, Douglas Oliver, Mrs. Helen H. Oliver, Messrs. Arthur Ostiguy, Michel Panet-Raymond, Réal Panet-Raymond, Charles Guy Paré, Gérard Parizeau, William G. Pepall, W. J. Piper, Mrs. Elaine C. Power, Messrs. Philippe Racette, Antonio Rainville, Pierre Ranger, J. Clarke Reid, Donat René, Edgar T. Reynolds, Mrs. Mary Louise Reynolds, Messrs. James Richards, Fernand Richer, Guy R. Sauviat, L. Scharry, Miss Gabrielle Senécal, Messrs. Marcel Therrien, Jacques Thibodeau, Miss Madeleine Thibodeau, Messrs. Pierre A. Thibodeau, Guy Vanier, Q.C., Charles Vial, Henri Vinet and Mrs. Mary Woodward.

On motion by Mr. E. Donald Gray-Donald, seconded by Hon. Léon-M. Gouin, Q.C., Mr. Guy Vanier, Q.C., took the Chair.

The Chairman appointed Mr. Austin Kennedy to act as Secretary of the Meeting and asked Messrs. John D. Hackett and J. Rodolphe Lemire, to act as Scrutineers.

The notice calling the Meeting, having been read by the Secretary and found satisfactory, the Chairman declared

the Meeting regularly called and held.

On motion by Mr. C. L. Ogden Glass, seconded by Mr. Jean C. Lallemand, the Minutes of the last Annual Meeting were taken as read, and unanimously confirmed.

The Annual Report of the Board of Directors was read by the Chairman, and the General Manager read the Balance Sheet and Report of Auditors.

REPORT OF THE BOARD OF DIRECTORS

Montreal, January 15, 1968

To the Shareholders,

Your Directors have pleasure in presenting the One Hundred and Twenty First Annual Report of the Bank covering its operations for the financial year ended October 31, 1967.

Net profits	\$ 1,896,015
Dividends and bonus to shareholders	1,040,000
Amount carried forward	\$ 856,015
Undivided Profits brought forward from previous year	435,876
Transferred to Rest Account	\$ 1,291,891
Balance of Undivided Profits at end of year	1,000,000
STATEMENT OF REST ACCOUNT	
Balance at beginning of year	\$14,500,000
Transferred from Undivided Profits	1,000,000
Balance at end of year	\$15,500,000

CHAIRMAN'S MESSAGE

Before commenting upon the statistics which the Board of Directors is submitting at this time, I wish to remind you of the presence in our midst of Mr. E. Donald Gray-Donald, the new president of the Montreal City and District Savings Bank. I am happy to state in this brief message with what pleasure and confidence we have invited Mr. Gray-Donald to accept the office of president which I was privileged to hold for many years. This important period of my life was characterized by hard work and a fine spirit of co-operation. I wish to thank my colleagues and our large family of shareholders and employees for the constant support that they have so kindly given me at all times.

The millions of visitors who came to Montreal to seek recreation and knowledge as they visited our World Exhibition were greatly impressed by the extraordinary growth of our metropolitan district. The figures contained in our 121st Annual Report allow us to note with pride that the Montreal City and District Savings Bank has progressed at the same rapid pace as our City and its suburbs. A few comparisons will show this in a manner that cannot be gainsaid. In 1937 our assets amounted to

\$67,696,389; ten years later they reached \$146,651,530; in 1957 they amounted to \$239,472,506; they now stand at \$436,146,451, an increase of approximately 100% for the last decade. The annual dividend paid to shareholders in 1957 was 14 cents per share on capital and reserves amounting to \$8,750,000. whilst 52 cents is allotted the same number of shares but today on a total capitalization risen to \$17,500,000. Salaries and other benefits paid to personnel amounted to \$2,632,131 in 1957, whereas they reached \$5,945,230 at year's end. The staff Pension Fund was \$2,797,539 ten years ago and amounted to \$6,889,208 on October 31, 1967.

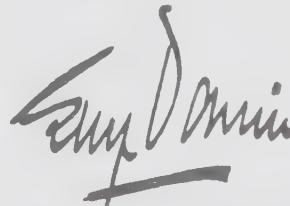
This phenomenal increase in all areas has been due to the fact that your directors have developed the services offered to the public and have pursued a policy of continued expansion. In the short space of about fifteen years, the number of our branches went from 30 to 76, an increase of 150 per cent. Such rapid growth has led of course to the reorganization of all departments as well as an increase in staff which now numbers 1176 employees, as compared with 683 in 1957.

All these facts show that our Bank has grown at an extraordinary rate, much like the Province of Quebec, Canada as a whole, and more especially the City of Montreal, Metropolis of our country. Expo 67 came as a fitting climax to a lengthy period of economic growth in Canada. The outlook is somewhat more uncertain today; it is expected that the cautionary steps advocated by the Finance Minister of Canada will lead to a re-adjustment most probably followed by a period of austerity. With the co-operation of our clients and our personnel, we hope to alleviate this, if possible, by continuing our policy of expansion. Such a program is highly desirable, because the growth of an enterprise contributes not only to the maintenance of permanent employment but also fosters the rapid promotion of employees through the creation of new jobs, which the most competent and devoted employees are invited to fill at all levels in the various departments.

The Board of Directors wishes to thank the Bank's clientele of every ethnic origin for the fine co-operation they have shown by entrusting it with their deposits and by making use of

its numerous services. The Board wishes to assure the family of our shareholders that it is firmly resolved to maintain the constant progress shown by the Bank through diligent work and a relentless search for new techniques. It takes pleasure in reiterating to our General Manager, Mr. François Xavier Guérard, to his Assistants, to the Heads of Departments, to the Branch Managers and to all members of the staff, the assurance of its appreciation and gratitude for their collaboration so necessary to ensure the welfare of the Bank.

On behalf of the Board,

A handwritten signature in black ink, appearing to read "Guy Davis".

Chairman.

ADDRESS OF THE PRESIDENT

Ladies & Gentlemen:

On this my first appearance before you as President of the Bank I wish to say that I am greatly honoured by having been appointed to that office. I realize that with the honour go grave responsibilities, which I assure you I will carry out to the best of my ability.

My first duty, and it is a very pleasant one, is to pay a tribute to the man who has so ably guided the affairs of the Bank for the past seventeen years, Mr. Guy Vanier. Elected a Director in 1934, Vice-President in 1945, and President in 1950, Mr. Vanier has given unstintingly of his time and energy to the effective guidance of the affairs of the Bank. The statistics he has given you of the growth of the Bank are impressive, and are in large part due to his initiative. It has been my privilege to serve on the Board under his direction for the past eleven years, and I can personally testify to his complete devotion to the interests of the Bank, his wise guidance, his unfailing resourcefulness, his ability as an administrator, and also his personal charm. The Bank is indeed for-



Mr. E. D. Gray-Donald

tunate that Mr. Vanier has agreed to remain as Chairman of the Board, so that we may continue to have the benefit of his counsel, encouragement, and of the stimulus of his lively mind. On behalf of my fellow directors, and of the management, I would like to thank Mr. Vanier for all he has done for our Bank.

It has been the custom in the past at this time for the President to give a resumé of the situation of the economy of Canada. This has been done in many public addresses during the past few months, and I cannot add anything new. So I would like to confine my remarks to events that have taken place in the past year.

The outstanding event has been the decennial revision of the Bank Act and the Quebec Savings Banks Act. As you know we operate under a federal charter, and are subject to the provisions of the Quebec Savings Banks Act, which is a federal law.

Before discussing some of the major changes in the law, I would like to make the comment that our legislators, in revising the acts concerning banking, were trying to develop a more flexible system than we have had in the past, and to stimulate greater competition between financial institutions. They have given the banks the freedom that they so badly needed to broaden their fields of activity and increase their usefulness to the public, while they have still re-

tained a strict control over banking operations. As far as our own bank is concerned the competition will be keener, but we now have more powers with which to meet that competition.

The first effect of revisions of the Acts that you have no doubt noticed is that our annual statements have been considerably expanded in accordance with the provisions regarding financial disclosure. More detailed information is given than in the past, particularly in regard to revenues and expenses, reserves (both taxable and tax paid) transfers to Rest Account, and provision for possible losses. This will enable shareholders and investors at large to analyze the financial situation of the Bank. All banks are required to follow these procedures.

With the introduction of the revised Acts, an interest ceiling of 7 1/4% was established. This was a transitional step towards removal of the ceiling, which ceased to exist as of January 1, 1968. Interest rates are now free to follow the laws of monetary supply and demand.

Restrictions have been imposed on the ownership of shares of all banks, so that no more than 25% of the total capital stock may be owned by non-residents, and no more than 10% by any individual, corporation, or associates. No government, domestic or foreign, may hold bank shares, although provision is made for the ownership of non-voting shares by government pension and like funds, but with limitations on the amounts held.

In so far as our bank is concerned all restrictions concerning the purchase of Securities have been removed.

We have had the right to engage, and have in fact been engaged for over ten years in the mortgage business. The new legislation frees us from serious restrictions — the lending limit of 60% on our own valuation has been raised to 75%, the requirement that at least 50% of floor area be used for residential purposes was removed, and the loan limit of \$100,000. on any one property was replaced by a new limit of 5% of issued capital and rest account, which would raise our maximum under present conditions, to about \$900,000.

Our permitted investment in unsecured loans has been raised from 5% to 15% of deposit liabilities, and the maximum amount for a personal loan has been raised from \$5,000.00 to \$10,000.00.

The Canada Deposit Insurance Corporation was set up by the federal government, which guarantees the deposits of any one person up to a limit of \$20,000.

Another event of significance was the publication of the Report of the Royal Commission on Taxation, known as the Carter Report. The Commission recommended very extensive changes to the present bases of taxation. It encountered much criticism and it appears now that Parliament will not adopt the Report as submitted, although some of the recommendations may be adopted from time to time as conditions warrant.

I said earlier that competition would become keener. Indeed it has already been greatly intensified, as we can all see, with interest being offered at rates that not long ago would have been considered fantastic. Can we meet such competition? I am confi-

dent that we can, and in fact we are already doing it. We can do it in many ways; we must meet competitive rates, we must offer new services specially designed to meet the needs and desires of our customers and above all we must give the best and most courteous service. Mr. Guérard in his report will refer to additional facilities which have been made available to our depositors. We have established a marketing department which is devoting its full time to devising ways and means of serving our customers better.

The reaching of our goals is, of course dependent upon the participation of all members of our management and staff. I wish here to thank all our personnel for their contribution to the progress of the Bank during the past year.

Our country faces many problems in the coming years, both economic and political, and we cannot hope to solve them all at once. We must do things one at a time. I believe that the action of the government in reducing federal spending is excellent, even though

long overdue, because no country, just as no individual, can go on living beyond its means indefinitely. We must do everything within our means to curb inflation, because inflation will eventually destroy all monetary values, and we must also endeavour to maintain employment at a reasonably high level. The two things inflation and unemployment, are probably our greatest economic difficulties. We have others, of a political nature, but none are insuperable. If we will refuse to listen to political agitators and those who would foster unrest and destroy confidence we will contribute to the solution of many of our problems.

In conclusion I wish to say that I firmly believe in a bright future for our country, our province, our city, and of course, our Bank.

STATEMENT OF REVENUE, EXPENSES AND UNDIVIDED PROFITS

for the financial year ended October 31, 1967

REVENUE:

Income from loans	\$ 17,319,603
Income from securities	5,630,272
Other operating revenue	3,365,914
Total revenue	26,315,789

EXPENSES:

Interest on deposits	10,460,356
Salaries, pension contributions and other staff benefits	5,945,230
Property expenses, including depreciation	1,599,689
Other operating expenses, including provision for losses on loans based on five-year average loss experience	2,033,325
Total expenses	20,038,600
Balance of revenue	6,277,189
Appropriation for losses	3,100,000
Balance of profits before income taxes	3,177,189
Provision for income taxes relating thereto	1,281,174
Balance of profits for the year	1,896,015
Dividends	1,040,000
Amount carried forward	856,015

UNDIVIDED PROFITS:

Balance at beginning of year	435,876
Transferred to Rest Account	1,291,891
Balance at end of year	1,000,000
	\$ 291,891

STATEMENT OF ACCUMULATED APPROPRIATIONS FOR LOSSES

for the financial year ended October 31, 1967

Accumulated appropriations at beginning of year:

General	\$ 9,815,889
Tax-paid	1,162,160
	<hr/>
	10,978,049

Add:

Appropriation from current year's operations	3,100,000
Loss experience on loans less provision included in other operating expenses	295,836
Other profits, losses and non-recurring items, net	4,322
	<hr/>
	14,378,207

Deduct:

Profits and losses on securities, including provisions to reduce securities other than those of Canada and a province to values not exceeding market	1,243,347
Provision for income taxes	1,679,408
	<hr/>
	2,922,755

Accumulated appropriations at end of year:

General	9,371,949
Tax-paid	2,083,503
	<hr/>
	\$ 11,455,452

STATEMENT OF REST ACCOUNT

Balance at beginning of year	\$ 14,500,000
Transferred from undivided profits	1,000,000
Balance at end of year	\$ 15,500,000

STATEMENT OF ASSETS AND LIABILITIES

as at October 31, 1967

ASSETS

Gold and coin	\$ 415,914
Notes of and deposits with Bank of Canada and deposits with chartered banks in Canadian currency	35,784,273
Other bank notes and deposits with banks in currencies other than Canadian	1,107,545
Cheques and other items in transit, net	10,519,304
Securities issued or guaranteed by Canada, at amortized value	30,266,128
Securities issued or guaranteed by a province, at amortized value	41,868,747
Securities issued or guaranteed by a municipal or school corporation in Canada, not exceeding market value	15,842,628
Securities and shares of other Canadian issuers, not exceeding market value	28,811,239
Mortgages and hypothecs insured under the National Housing Act, 1954	7,573,791
Other mortgages and hypothecs, less provision for losses	218,938,933
Loans otherwise secured, less provision for losses	18,182,269
Loans without security, less provision for losses	14,582,589
Poor Fund or Charity Fund investments	180,000
Bank premises at cost, less amounts written off	10,654,617
Other assets	1,418,474
	<hr/>
	\$436,146,451
	<hr/>

LIABILITIES

Deposits by Government of Canada, in Canadian currency	\$ 517,335
Other deposits in Canadian currency	402,384,825
Deposits in currencies other than Canadian	140,767
Poor Fund or Charity Fund Trust	180,000
Other liabilities	3,676,181
Accumulated appropriations for losses	11,455,452
Capital:	
Authorized — 3,000,000 shares of a par value of \$1.00 each: \$3,000,000	
Paid up — 2,000,000 shares issued and fully paid	2,000,000
Rest Account	15,500,000
Undivided Profits	291,891
	<hr/>
	\$436,146,451

E. Donald Gray-Donald
President

François-Xavier Guérard
General Manager

Auditors' report to the Shareholders

We have examined the statement of assets and liabilities of The Montreal City and District Savings Bank as at October 31, 1967 and the statements of revenue, expenses and undivided profits, accumulated appropriations for losses and rest account for the financial year ended on that date. We have compared them with the books and accounts at Head Office and with the certified returns from the branches. Our examination included a general review of the accounting procedures and such tests

of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion, these financial statements present fairly the financial position of the Bank as at October 31, 1967 and its revenue, expenses, undivided profits, accumulated appropriations for losses and its rest account for the financial year ended on that date.

Auditors:

JEAN VALIQUETTE, C.A. of Maheu, Noël, Anderson, Valiquette & Associés.
WILLIAM A. SHANNON, C.A.
of P. C. Shannon Son & Co.

Montreal, November 24, 1967

REMARKS OF THE GENERAL MANAGER

The Bank's 121st Annual Report reflects our continued progress.

ASSETS REACH A RECORD HIGH

On October 31, 1967, total assets of the Bank reached the record high of \$436,146,451, an increase of \$31,226,287 or 7.71% over the previous fiscal period, after adjustment of Accumulated Appropriations for Losses, an item which did not appear in last year's General Statement.

QUICK ASSETS

Cash resources, comprising deposits with the Bank of Canada and other banks amounted to \$47,827,036 and represented nearly 12% of the Bank's deposit liabilities. On October 31, 1967, our portfolio of securities amounted to \$116,788,742, or \$8,061,563 more than at the end of the previous fiscal period. Quick assets, therefore, stood at \$164,615,778 or 41% of the Bank's deposit liabilities.

MORTGAGE LOANS

Mortgage Loans reached \$226,512,724, an increase of \$15,180,772 over last year's amount of \$211,331,952. A mere comparison of these figures does not tell the whole story of our



Mr. F. X. Guerard

activity in this field. Considering that our borrowers repaid some \$20,000-000 during the fiscal year, we have, in fact, granted \$35,000,000 in mortgage loans, secured by first mortgages on residential properties, most of them of recent construction.

We are proud of our contribution to the home building industry, the development of which was curtailed during the year by a lack of funds.

OTHER LOANS

Secured loans amounted to \$18,182,269 an increase of almost \$10,000,000 while unsecured loans stood at about the same level as last year and amounted to \$14,582,589.

DEPOSITS

For the first time in the history of the Bank, deposit liabilities to the public exceeded four hundred million dollars, reaching \$402,525,592, an increase of \$28,183,000 or 7.53% during the fiscal year.

The revised Federal Law respecting

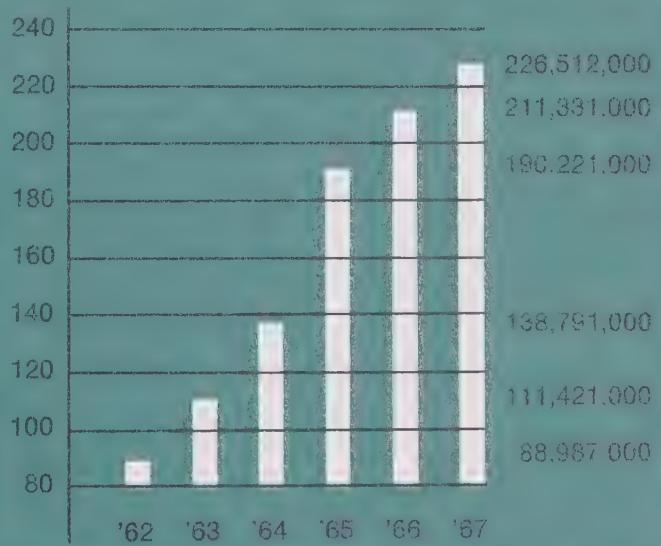
Savings Banks in the Province of Quebec and the revised Bank Act which became effective on May 1, 1967, tend to foster competition amongst banking institutions. We made the most of this opportunity by making available to the saving public a variety of accounts designed to meet its present needs.

OTHER FINANCIAL STATEMENTS

In compliance with the requirements of the revised Federal Law respecting Savings Banks in the Province of Quebec, our financial statements provide



Mortgage loans, millions of dollars



more information than in previous years. Undivided Profits Account has become Statement of Revenue, Expenses and Undivided Profits and the new Statement of Accumulated Appropriations for Losses shows the extent to which the Bank has resources to meet contingencies.

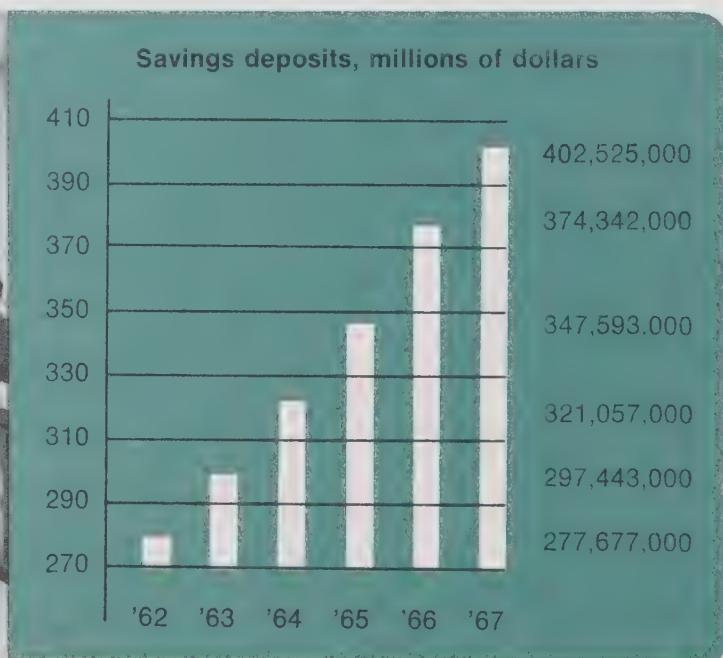
STATEMENTS OF REVENUE, EXPENSES AND UNDIVIDED PROFITS

You have undoubtedly noticed that this statement provides additional information which is self-explanatory.

Balance of profits for the year at \$1,896,015 compares with \$1,632,327, first item appearing in the Statement of Undivided Profits covering the previous ten month period.

Earnings per share amounted to \$0.95 as compared with \$0.82 last year. Four quarterly dividends of \$0.12 each and a bonus of \$0.04 per share for a total of \$0.52 were paid during the year.

After payment of dividends amounting to \$1,040,000 there remained a profit of \$856,015 which added to



\$435,876 brought forward gave a total of \$1,291,891 from which we transferred \$1,000,000 to Rest Account, leaving \$291,891 as Undivided Profits.

The Rest Account now stands at \$15,500,000.

ACCUMULATED APPROPRIATIONS FOR LOSSES

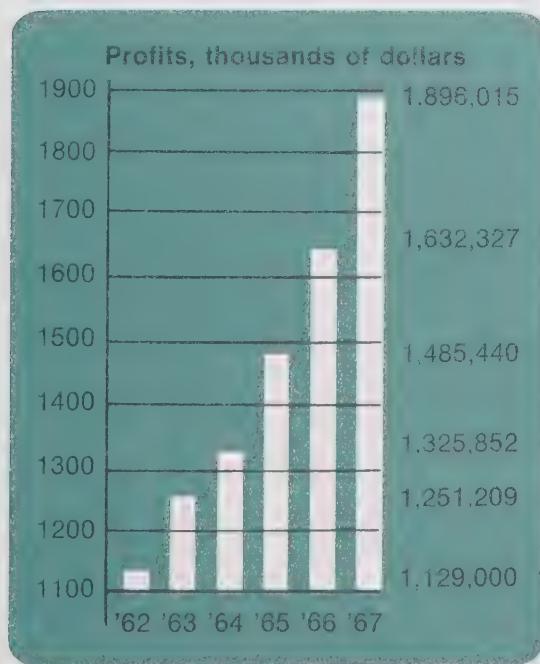
A new statement called Statement of Accumulated Appropriations for Losses reveals for the first time the inner reserves of the Bank. They are of two categories: the General Accu-

mulated Appropriations for Losses on which Federal and Provincial Income Taxes are not paid and the Tax-paid Accumulated Appropriations.

At the beginning of the fiscal year, they amounted to \$10,978,049. To this sum we added an amount of \$3,100,000 drawn from current earnings \$1,612,000 of which was set aside to provide for income taxes, leaving a net transfer of \$1,488,000. We also added \$295,836 as a provision for possible losses on loans.

Non-recurring items of \$4,322 increased Accumulated Appropriations for Losses by that amount. Moreover, a sum of \$62,000 was transferred from General to Tax-paid Accumulated Appropriations for Losses after setting aside \$67,000 for income taxes which added to the above mentioned provision of \$1,612,000 totals \$1,679,000 deducted from Accumulated Appropriations for Losses.

Finally a sum of \$1,243,347 was drawn from Accumulated Appropriations for Losses to provide for the reduction to an amount not exceeding market value, of securities other than those of the Governments of Canada and



Provinces, held in our portfolio, leaving a balance of \$11,455,452.

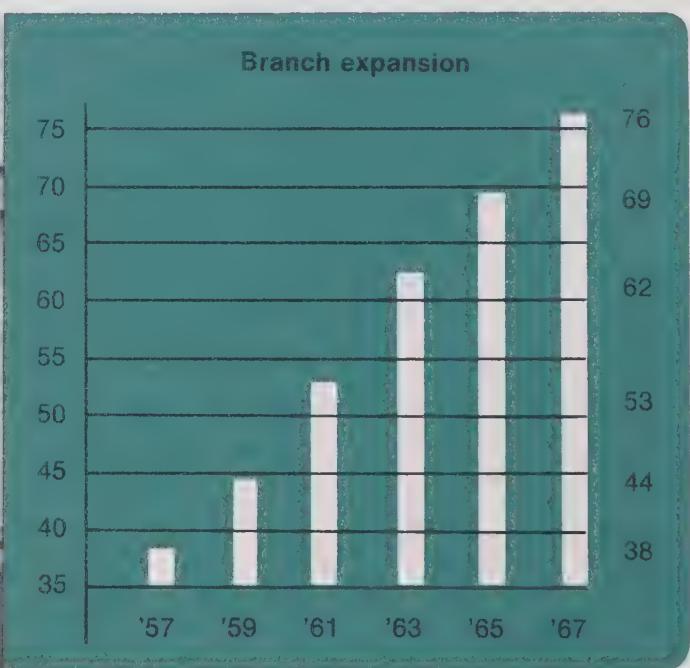
NEW BRANCHES

During the past year, the Bank opened a third branch in each of the Cities of St. Laurent and Laval, bringing its total number of branches to 76, representing a total capital investment of \$10,654,617 after write-offs.

These branches are progressing rapidly and the outlook for the future is bright.

Continuing our expansion, a branch is presently under construction in the City of LaSalle and other projects are on the drawing board. Moreover, we shall, as soon as possible, enlarge three of our branches to provide better service to our customers.

On behalf of the management, I take this opportunity to thank the Board of Directors for its generous support and the entire staff for its contribution to the splendid results achieved during the year.



NEW BRANCH

Exterior and interior views of our 75th branch, opened on June 1st 1967, corner of Laurentian Blvd. and Hartenstein, in St.Laurent.



OTHER PROCEEDINGS OF THE MEETING

It was then moved by Mr. Guy Vanier, Q.C., seconded by Mr. E. Donald Gray-Donald, that the Annual Statement and Reports be adopted. The motion was carried unanimously.

On motion by Mr. Edgar T. Reynolds, seconded by Mr. Fernand Blais, it was unanimously resolved that Messrs Jean Valiquette, C.A., and William A. Shannon, C.A., be appointed auditors for the ensuing year, and that their remuneration be set at a total amount of \$21,000.00 to be divided between them according to the time devoted by each to the affairs of the Bank.

Mr. Roger Lamontagne moved that By-law "N" be rescinded and replaced by the following.

"By-Law "N". A sum of \$85,000.00 may be appropriated each year, as from November 1st, 1967, by the Board of Directors from the Funds of the Bank as remuneration for the services performed by the Chairman of the Board of Directors, the President and Vice-President of the Bank, by the other Directors and the Executive Committee and/or as allowances payable to any of them; the members of the Board may annually apportion the same among themselves in such manner as the Board of Directors may decide by resolution."

This motion was seconded by Mr. John Bloom and unanimously adopted.

Mr. Edouard Desjardins M.D., moved, seconded by Mr. Vianney Favreau, that the following gentlemen be nominated as Directors for the ensuing year and that the Secretary cast one ballot, that sole ballot to be considered as the unanimous vote of the Meeting.

Mr. John G. Bourne
Mr. Desmond A. Clarke
Mr. C. L. Ogden Glass

Hon. Léon-M. Gouin, Q.C.
Mr. E. Donald Gray-Donald
Mr. Marc Jarry
Mr. Jean C. Lallemand
Mr. Mostyn Lewis
Mr. Robert R. McLernon
Mr. Guy Vanier, Q.C.

The motion was carried unanimously.

The scrutineers reported that the above-nominated gentlemen had received the unanimous vote of the Shareholders present at the meeting, and the Chairman declared them elected as Directors of the Bank for the ensuing year.

Mr. Rosario Genest, Q.C., expressed the satisfaction of the shareholders, on the occasion of the splendid results obtained during the past year. He pointed out that competition among financial institutions has reached the point where the successful operation of our Bank demands constant attention on the part of its directors, management and entire staff. He was delighted, therefore, to move the adoption of the following resolution:

"That the thanks of the meeting are hereby tendered to the Chairman, the President and other Directors, the General Manager, other Officers of the Bank and all the members of the Staff for the splendid success achieved during the last financial period and for their careful attention to the interests of the Bank."

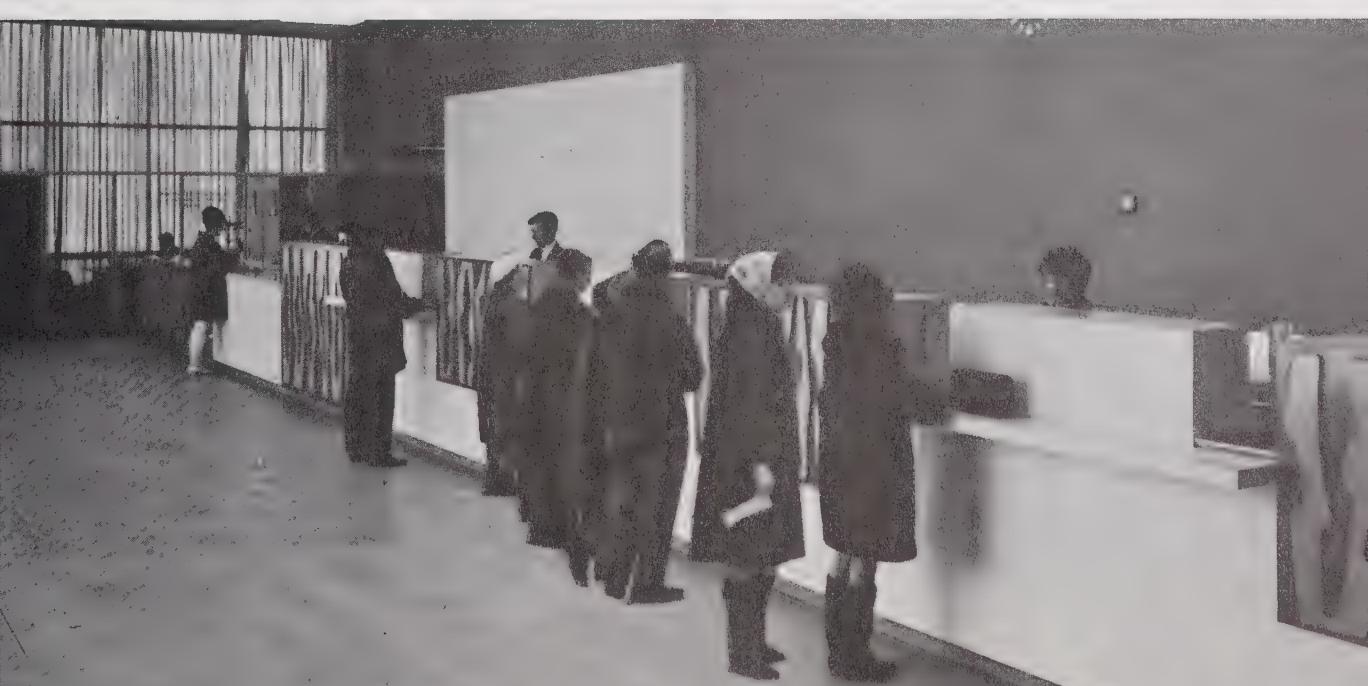
This resolution was seconded by Miss Freida E. Briddon and carried with applause.

The meeting was then adjourned.

At a meeting of the Board of Directors, held immediately after the shareholders' meeting, Mr. Guy Vanier, Q.C., was elected Chairman of the Board, Mr. E. Donald Gray-Donald was elected President of the Bank, and Hon. Léon-M. Gouin, Q.C., was elected Vice-President.

NEW BRANCH

Our 76th branch, corner of Samson Boulevard and De l'Elysée,
City of Laval, opened on July 24, 1967.



DEPARTMENTS AND BRANCHES

Departments

Mortgage Loans
Personal Loans
Foreign Exchange
Premises
Marketing
Advertising
Methods and Procedures

Supervisors

Fernand Richer
Philippe Racette
Léo Ethier
Gilles Brunel
Roger Lavoie
Jacques Bourgeois
Jacques Ethier

Branches

Montreal

400 Beaubien Street East
3160 Beaubien Street East
4945 Beaubien Street East
1101 Bélanger Street East
4155 Bélanger Street East
290 Chabanel Street West
1100 Condé Street
5990 Côte des Neiges Road
6225 Darlington Avenue
5159 Décarie Blvd.
6290 Décarie Blvd.
1493 DeLaSalle Avenue
6500 DeLorimier Avenue
2490 DeSalaberry Street
885 Fleury Street East
2200 Fleury Street East
50 Henri Bourassa Blvd. West
8595 Hochelaga Street
2490 Jean-Talon Street East
555 Jean-Talon Street West
9095 Lajeunesse Street
2937 Masson Street
6270 Monk Blvd.
5487 Monkland Avenue
1100 Mount Royal Avenue East
2046 Mount Royal Avenue East
1420 Notre Dame Street West
1551 Ontario Street East
3720 Ontario Street East
7705 Papineau Avenue
5059 Park Avenue
5677 Park Avenue
936 St. Catherine Street East
2400 St. Catherine Street East

Managers

Gilbert Barrette
Robert Brossard
Marcel Provost
Adrien Boismenu
René Hébert
Roger Cormier
Jean Campbell
Berthold Bednarchuk
Marcel Lauzon
Emile Bourbonnais
Jean Loiselle
René Hardy
Pierre Leblanc
Armand Roy
Maurice Paul
Jean-Paul Bolduc
François Daoust
Ernest Bougie
Armand Lortie
François-Xavier Lanctôt
Camille Cartier
Jean Thériault
Lucien Desmarais
Paul Turgeon
René Bouthillier
Rodolphe Collard
Jean Claude De Grasse
Lionel Pesant
Edouard Gervais
Adrien Cusson
Georges Blouin
Paul Provost
Victor Paquette
Georges Chaussé

BRANCHES

3290 St. Catherine Street East
777 St. Catherine Street West
1220 St. Catherine Street West
1472 St. Catherine Street West
4190 St. Denis Street
5000 St. Denis Street
7501 St. Denis Street
8090 St. Denis Street
262 St. James Street West
2401 St. James Street West
4080 St. James Street West
3730 St. Lawrence Blvd.
4467 St. Lawrence Blvd.
6700 St. Lawrence Blvd.
801 Sherbrooke Street East
6615 Sherbrooke Street East
245 Sherbrooke Street West
5651 Sherbrooke Street West
6260 Sherbrooke Street West
7420 Sherbrooke Street West
6640 Somerled Avenue
4790 Van Horne Avenue

City of Laval

750 Montrose Street
3870 Notre Dame Blvd.
4640 Samson Blvd.

Côte St. Luc

5471 Westminster Avenue

Dorval

325 Dorval Avenue

Longueuil

4 St. Charles Street East

Montreal North

4135 Amiens Street
5501 Henri Bourassa Blvd. East

Roxboro

10451 Gouin Blvd. West

St. Lambert

400 Victoria Avenue

St. Laurent

865 Décarie Blvd.
1430 Poirier Street

St. Léonard

5355 Jean-Talon Street East

Lucien Lachance
Médéric Lalonde
Patrick Farmer
Léopold Tassé
René Roger
Arthur St-Louis
Lucien Prud'homme
Edouard MacDonald
J. Donat René
Arthur Boyer
Georges Lamothe
Roland Lamontagne
Roger Pontbriand
Gérard Moreau
Guy Pelletier
Albert Gauthier
Gilles Beausoleil
Paul Valois
Ernest Levesque
Normand Landry
Lucien Laporte
Roland Cusson

Paul Richer
Jean-Paul Trépanier
Raymond Coderre

Lucien St-Pierre

Morgan McCarthy

Jean Mercure

Georges Cournoyer
Roger Majeau

Aimé Cuillerier

Oswald Ashton

Yvon Labrecque
Jean Bazinet

Roger Pageau

BRANCHES

St. Michel

7192 St. Michel Blvd.
8930 St. Michel Blvd.

Roma Thifault

Verdun

5501 Verdun Avenue
4214 Wellington Street

Fernand Perrault
René McCann

Ville d'Anjou

6651 Joseph Renaud Blvd.

Marcel Collette

Westmount

4848 Sherbrooke Street West

Jean Lapostolle

FOREIGN AGENTS

New York, United States

Bank of Montreal
First National City Bank
Bankers Trust Company

London, England

Bank of Montreal

Paris, France

Crédit Lyonnais
The Royal Bank of Canada (France)

Naples, Italy

Credito Italiano

Rome, Italy

Banca Nazionale del Lavoro

Athens, Greece

National Bank of Greece

Lisbon, Portugal

Banco Portugues Do Atlantico

Madrid, Spain

Banco Hispano Americano

Tel Aviv, Israel

Bank Leumi Le Israel, B.M.

Zurich, Switzerland

Union Bank of Switzerland

Brussels, Belgium

Société Générale de Banque S.A.

Dusseldorf, Germany

Deutsche Bank

